

Exhibit D



Commercial Banking

Lyle E. Lawrence
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November 7, 2000



Mr. Scott Hayward
Hingham Campus, LLC
c/o Erickson Retirement Communities
2 Brooksby Village Way
Peabody, MA

Re: Erickson Retirement - Hingham Campus

Dear Scott:

I have reviewed the materials you have submitted to Fleet in support of your request for a "Site Approval Letter" for your proposed affordable housing development in Hingham ("Erickson Retirement - Hingham Campus") as required under Chapter 40B of M.G.L. for developments seeking a comprehensive permit. In response, I am pleased to provide this Site Approval Letter to you for your development, recognizing that this letter is not a commitment for financing under the New England Fund Program but a necessary preliminary step in that review process.

I find that the materials are compatible with the type of multifamily housing being proposed by you as evidenced by the schematic plans in your submission. I have discussed your request with the Federal Home Loan Bank of Boston and believe that this project in Hingham will be eligible for NEF financing through our bank.

The guidelines under the NFP Program for developments utilizing Chapter 40B state that 25% of the units must serve households earning no more than 80% of the area median income and pay no more than 30% of gross income for rent + utilities. According to your chart labeled "Entrance Deposits for Unit Categories Mix" which is part of your submission, 478 of your 1750 independent living units will be designated as affordable; as a result, the 25% threshold criterion is met. Moreover, the analysis I reviewed indicates imputed rents of \$713/mo. up to \$1,000/mo. for the largest 2 bedroom unit, all of which meet the affordability test for households earning no more than 80% of median income, under either of two methodologies, as follows:

#1:	Boston area median income:	\$65,500
	80% of median income	\$52,400
	30% of income for rent	\$ 1,310/mo.

#2: 1BR = 1 person household @ 80% median = \$ 878/mo.
2BR = 2 person household @ 80% median = \$ 1,003/mo.

According to your plan, the proposed affordable units will be distributed among all apartment bedroom categories, with the same sizes as the market units. Although your schematic plan does not label the locations of the affordable units, you have indicated that they will be scattered and integrated throughout all buildings and in no way discernible by the general public so as to create a negative "stigma."


From Fleet's past business relationships with Erickson Retirement Communities as well as the financial material you submitted, I am well aware of your experience as a developer of senior housing and I believe your company has the financial capacity to carry out this proposed development. The market information you have provided also supports the proposed market rents carried in your proforma so that at this phase of our analysis, we have no reason not to believe that your development adhere to a "limited dividend" stipulation. Under the NEF Program for rental housing, I understand that the "limited dividend" requirement under Chapter 40B translates into a profit ceiling of 10% annual return on equity (please note that under the regulatory agreement, the monitoring agent will be using the Massachusetts Housing Finance Agency's guidelines under its non tax-credit 80/20 Program for determining the limited dividend criterion).

Moreover, this limited dividend provision will be monitored on an annual basis for the duration of the affordability lock-in period (which must be at least 15 years) which will be spelled out under the terms of the Regulatory Agreement, a draft copy of which you have provided. Fleet will be in receipt of the annual monitoring report, as will be the municipality, which will analyze not only the annual profit but the affordability provisions as well, namely, that 25% of the units continue to meet the household income and rent test to comply with the comprehensive permit.

The information you have provided us will be available for review by the public at our office at 100 Federal Street, Boston, MA Attention: Lyle E. Lawrence, Health Care & Institutions Division.

I look forward to reviewing your submission for construction/permanent financing when you deem it appropriate.

Very truly yours,


Lyle E. Lawrence,
Senior Vice President and
Senior Relationship Manager